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TRANSCRIPT
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MONTGOMERY COUNTY COUNCIL

PRESENT

Marilyn J. Praisner, President	Michael Knapp, Vice President
Phil Andrews	Roger Berliner
Marc Elrich	Valerie Ervin
Nancy Floreen	George Leventhal
	Duchy Trachtenberg

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Council President Praisner,

Ladies and gentlemen, if we could rise please for a moment of silence. Thank you. General business for the Council meeting of Tuesday, February 6, Linda Lauer.

Linda Lauer,

The one change we have this week is on Thursday, the T&E meeting will begin at 10:00, not 9:30. And we did receive one petition this week and that was from the Montgomery Overlook Townhouse Association Inc. requesting assistance keeping Gunners Drive entrance to Frederick Road open through right turn-in/turn-out access.

Council President Praisner,

Thank you. I am expecting the other Councilmembers, with the exception of Councilmember Elrich, who is feeling ill and may join us later. But--a little bit under the weather right now and I hope he improves. Action on minutes. Madam Clerk.

Council Clerk,

The minutes of January 22nd and 23rd for approval.

Council President Praisner,

Is there a motion? Mr. Leventhal, second Vice President Knapp. All in favor? As indicated, that is Councilmembers Ervin, Leventhal, Andrews, Berliner, Knapp and Praisner. Thank you. Move to the consent calendar. Is there a motion? Mr. Andrews, second by Councilmember Leventhal. Are there any items, Councilmember Andrews?

Councilmember Andrews,

Thank you, Madam President. Item C is a resolution to improve the Montgomery County Multi-Hazard Mitigation plan. This is required so we can be eligible for grants from various agencies to address hazards we hope to mitigate or avoid. One thing the committee did want to add to the discussion was that we asked the Executive Branch to prioritize the list of needs in this area so that when grants become available, we go down the list first and look at what is next in line to see if it would match the grant that is available. So we have at least that kind of structure to it. Sometimes what might be our first or second priority may not have a match for a grant, but we want to have that in place so that we have that kind of disciplined approach. Other than that I think it's pretty straight forward and the Council's approval will then make us eligible for these grants.

Council President Praisner,

Thank you. I just want to comment on that on as well. It's a very voluminous document and, I thank the Public Safety Committee for going through it and considering it. There are many plans and reports that are now required through the federal government to access grants and also just from a Homeland Security Incident Management System and each state is to have its own plans in place, and those will trigger requirements that those plans have to be in place for any future grants from the Department of Homeland Security, and probably other departments as well. So it's important that we work through this process, and it's very important that the Legislative Branch be an integral part of that given the funding questions that are associated with it. There being no other lights

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the consent calendar is in front of us. All in favor of approval, please indicate. Councilmembers Ervin, Trachtenberg, Leventhal, Andrews, Berliner, Vice President Knapp, and Council President Praisner. It is unanimous among the Councilmembers present. We are about five minutes ahead of schedule, but I think we can begin given the fact that Councilmember Floreen has joined us and, as I said, Councilmember Elrich is not feeling well, so I will turn--the next item is action on the spending affordability guidelines for FY08 Capital Budget, And other general CIP assumptions. And I will turn it over to the Chairperson of the Management and Fiscal Policy Committee, Councilmember Trachtenberg.

Councilmember Trachtenberg,

Thank you, Madam President. I am going to start by itemizing the recommendations which came out of the MFP Committee. I have asked Mr. Orlin to join us. Basically, what the committee, last week, recommended was that we actually use \$264 million as the guideline for '07 through '09, and that '10 through '12, we raise that to \$270; that we reduce the implementation rate for the bonds from 92% to 90%; that we use for now the executive's recommended inflation rates; That we retain the existing PAYGO levels, '07 through '10, and that we increase them '11 through '12 to \$27 million a year. We also recommended that reducing the revenue estimate for the recordation tax be set at \$32 million and that it be set at \$35 from FY08 through '12. The school impact tax down to \$8 million. The transportation impact tax a closer down to \$8 million in '07 but bringing it up to \$10 million in FY08 through '12. And we recommended, assuming the state school construction aid to \$40 million a year in FY 08 through '12. We also recommended using the executive's current revenue levels for now, and also confirming the current Park and Planning Bond guidelines and targets. Since last week, we have had an alternative proposal made by Councilmembers Ervin, Floreen, Knapp and Leventhal, which is somewhat different, and again I'm sure we will be talking about this in specific shortly. Their recommendation simply was to go with the bond guideline for '07 to \$275, and then '09 through '12, go up to \$280 and also raise the PAYGO to \$27.5 million in '07 and raise it to \$28 in years FY 11 through '12. You know, obviously, the recommendations that the committee came up with were a combination of staff recommendations, executive recommendations and our own. And what I would submit to my colleagues at this time is that I have, since yesterday morning, spoken with a few colleagues and I'm suggesting that what we do on the bond guidelines is use the \$270 a year, that was the original recommendation of staff, And also alter the PAYGO levels so they actually work with the bond guideline of \$270. And so I've ask Mr. Orlin to come up and, I would ask Glenn at this time that you talk a little bit about what was behind your initial recommendation of \$270 across the board.

Glenn Orlin,

Sure. Thank you very much, Madam Chairman. Typically in an off year of a CIP there are not that many changes that are made to the either to the guidelines or to the CIP itself. So that was part of the rationale for my recommending change, but also not a large change particularly in the first few years from what the council had approved last year. There was also discussion that the MFP committee had last fall which talked about coming up with realistic scenarios for spending affordability. We've fallen into a

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practice the last few years of having high levels in the earlier years dropping off to low levels or lower levels in the later years, where history has clearly shown that's not the pattern. Here's in the packet you have seen examples of that which is basically every year for the last several years it's been that way. And so the committee's recommendation was that from now on that whatever scenarios are produced should either be flat or, if anything, slightly rising rather than falling off; Rather than trying to stay within an arbitrarily low 6-year guideline. And so both of those rationales really was what led me to recommend the 270 across the board. Particularly since it was also recommending considerably lower revenues for recordation tax, school impact tax, transportation impact tax, given the collections we have been receiving on those taxes over the last few years. And I felt that looking at the bond indicators we could go somewhat higher, and be able to absorb a little bit more debt to be able to offset at least some of these more, I think, more reasonable forecasts for revenue for these other taxes. So that's pretty much where I came up with what I did.

Councilmember Trachtenberg,
At this time I guess the only thing I would note about the PAYGO that was recommended is that it was using last years --

Council President Praisner,
Your mike--

Councilmember Trachtenberg,
Last year's assumption, which again was the executive's recommendation. Am I correct?

Glenn Orlin,
That--that's correct. I think in my original proposal, I apologize for this, but I didn't remember the 10% rule. And so--

Council President Praisner,
We've had it so long.

Glenn Orlin,
It's only been for a few months. As we get older it's the short-term memory that's lost, right? It's not the long term. I remember all of the stuff from ten years ago. Anyway, the PAYGO level--as you can see in the middle of page two, in the chart there, my recommendation was to increase PAYGO actually in '07 by \$600,000 which is 10%-- would raise the PAYGO \$27 million, which would be 10% of \$270. In the last two years as Ms. Trachtenberg mentioned, that they go to \$270 in years '11 and '12 that would raise the PAYGO in those years by \$5 million each.

Council President Praisner,
Are you ready for questions of Councilmembers.

Councilmember Trachtenberg,

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Yes, I am.

Council President Praisner,
Ms. Floreen.

Councilmember Floreen,
Thank you, Ms. President. Those of us on the sidelines have been watching the MFP's attention to this with great interest. This is a process. I am not sure why we have to go through it except for the fact that it's lost.

Council President Praisner,
And it's fun.

Councilmember Floreen,
We go through-it is this exercise we go through that's based on a kazillion assumptions that may or may not prove to be accurate when we actually have to write the checks. But the fact of the matter is that--and we're not supposed to look at what we want to spend the money on. But the real question for us is what is affordable, and is there a change in circumstances that warrants our reexamination of some of the principles that have guided our actions so far. I did not attend the MFP Committee's session last week, but you all had an update from finance that I read--at least I read the handout with interest, that showed that total tax collections so far were 14% above the first half of fiscal '06. And that generally, apart from the transfer and recordation challenges, we are doing pretty well. And then I looked at Glenn's memo, which indicated on balance all the indicators that we looked at--and this is circle 6 of the Council packet (inaudible) MFP Committee's packet on the subject, indicators are now showing a much better performance than had previously been assumed. So we asked Glenn to run some different scenarios, given the MFP Committee's assumptions about some of the other criteria to see what was affordable under the current financial projections. As a result of Glenn's numbers, and respecting the policy direction of once you end up with a number, why don't you--we should stick to that number. Some of us have proposed that we raise the levels up to \$275 for this year, and \$280 million for the following years. And the reason for that, at least preliminarily, at least in my view, is to fund the CIP budget that we have in place at this time. If we do not do that, under our calculations, we are in the hole, under any lesser scenario for the current CIP, and would stay that way at least through '08 and '09. The numbers vary and of course it's dependent on a variety of assumptions, all of which bear further evaluation in the long term. But the fact of the matter is that our payroll employment is growing, our unemployment rate is slow, our operating budget revenue growth is projected to grow much faster than assumed last year, and county personal income is growing faster than expected. Those are the kind of criteria that we typically look at in assessing whether or not we can sustain a budget and whether at least we can fund what is currently in the budget. Much less they are nice to have the other desirables that we would like to be able to fund when all of the initiatives that may be proposed by the County Executive or supported by Council Committee once we go through the budget process, get shaken up. So at least I would like to advance this approach because the numbers would allow us to support the

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current -- given the reduction in recordation and transfer taxes. The \$275 for this year and the higher--the \$280 for the subsequent years, would allow us to fund the current Capital Budget. What we do in '10, '11, and '12 is of less concern to me at this point. We understand it is a totally fluid circumstance. But given the committee's desire to have a set number for those later years, that is why the \$280 million number is in there for the later years. I don't personally feel that strongly about it but I do respect the committee's desire to end up with a more consistent number.

Councilmember Trachtenberg,

My response to that is my gut on this is that everyone is going to interpret what they look at perhaps a little differently; that provided by staff and whatever research has been done by individual offices. And at the time that the committee had this conversation, the consensus of the group was to start from a more measured baseline. And I think that is the detail to talk about and whether or not that is necessary and wise, and it is my personal opinion and I am not necessarily speaking for the committee at this point by saying this, that is probably the right way to start the process for a number of reasons. And I guess my biggest concern and certainly it's one that has been underscored by other folks, is the fact that our forecast on a state level is not as good as we were hoping for and certainly as you indicated, the recordation tax and transportation impact tax as well are not numbers that we were anticipating. I know there are other lights on, and I'm inclined to--

Council President Praisner,

(inaudible) other people -- Mr. Andrews is next.

Councilmember Floreen,

Before we get that, I just wanted to ask a question. You are saying Duchy to go to 270 starting this year?

Councilmember Trachtenberg,

Yes.

Councilmember Floreen,

And I just point out that if we do that, that leaves us with--according to our calculations, which I think are accurate, it would leave us with \$4.9 million less than is in the approved CIP for this year. It would leave us with over \$7 million less than what is approved for the CIP for '08 and it would leave us with over \$11 million less than what's approved for the CIP in '09, which has implications of course for our ability to adhere to our current expectations. So leave it at that--

Council President Praisner,

Mr. Andrews?

Councilmember Andrews,

Thank you. The concern I have is that both the Operating and Capital budgets have been growing at very fast paces in the past several years, and to the extent that the--

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one of the measures of affordability for the Capital Budget is tied to the level of debt service in the Operating Budget. When the Operating Budget grows fast, the percent of debt service goes down as a percent initially, and then, you know, we catch up. I am looking at page four of the packet and just looking at the increase over the last few years. If you look at the second column, the amount programmed was \$130 million in FY00, then in FY03 it was \$156 million. And it is currently at \$264. By any measure substantial increases over a short period of time. It's a 60% or more increase since FY03. My concern is that while if you look at these guidelines that have been used in terms of the percents, it is under 10% for example for debt service and long-term and short-term lease payments. The reason it's under 10% is the Operating Budget is so much bigger. And it begs the question of whether either one is sustainable, and I think while revenues are solid but they're not quite as strong as they were. But what is more at play is the amount of spending that has been built into both budgets. That I think is the challenge we face. And we are supposed to base this on what we think is affordable rather than what we all want to do. So I think it is better to start with a modest increase which was recommended by Doctor Orlin. We can come back in the spring if we find that we have more capacity to add. We will revisit this in March or April, but I think it would be better to start with a smaller increase than some of the options that are laid out here in the packet. Because I think we are on a unsustainable path if we don't slow the increase from previous years.

Council President Praisner,
Councilmember Leventhal?

Councilmember Leventhal,
I just want to welcome all my colleagues to our annual round. This has taken place every single year. We have colleagues who are more cautious in their long-range goals and we have colleagues who are perhaps somewhat chomping at the bit more to invest in infrastructure. We are going to bring this to a vote fairly soon. I want to thank Ms. Floreen and her staff for running these numbers. This in the absence of our colleague, Steve Silverman, somebody had to do this, and I am glad you are here to do this. This is, as I say, an annual debate which clearly will play out again in the years to come. I will simply -- I don't know if there's -- Ms. Floreen, have you made a motion?

Councilmember Floreen,
Well, I was--it is in the packet. Yes, I have made the motion - I'll make the motion.

Councilmember Leventhal,
Okay, I would be delighted to second the recommendations stated by the Chair of the T&E Committee. And just--you know, I have said several times and I do believe that the campaigning is behind us and it is time to govern. And I do believe that, but I did hear quite a bit last year about the need to catch up. And catching up does require investment in infrastructure. And we do have an opportunity this morning to cast a vote in favor of investing in our infrastructure and keeping pace with our CIP. And again I thank Mr. Floreen and her staff for their work on this.

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Council President Praisner,
Councilmember Ervin.

Councilmember Ervin,
I want to ditto everything Councilmember Leventhal just said. He beat me to the punch. I know this is really a conversation about the demand for infrastructure improvements. And I'd like to be on record in support of Councilmember Floreen's amendment. I also want to get down to some concrete here, because I have trouble dealing in the abstract world. What are we going to be not doing by passing the MFP's recommendation?

Council President Praisner,
Nothing.

Glenn Orlin,
By not--could you explain what you mean.

Councilmember Ervin,
Well I mean what projects are on the table that are not going to be funded if we do one versus the other?

Glenn Orlin,
I can give you a bureaucratic answer I'm afraid, which is that really anything that is either now an amendment or might be an amendment between now and May is on the table. It could be anything.

Council President Praisner,
Anything beyond that number would require eight votes. Not that it is on the table automatically. This is a spending affordability, it would require seven or greater votes. It's not that a project is on the table.

Glenn Orlin,
It would require that if you want to exceed whatever guidelines are adopted today, would require seven votes rather than the normal five--actually the normal six. 'Cause we're in an amendment year. Any amendments to the CIP require six votes.

Council President Praisner,
Six votes, I'm sorry. You're right. It is a number of votes, Valerie, it's not a specific project. All this deals with is how many Councilmember votes are necessary to approve a dollar number greater than the number that would be adopted. So if the Council decides it wants to fund some things or not fund things, that's a vote on those items but this is a spending affordability process, not a project process. So it would be the number of votes required by the Council to adopt the CIP. That's what this relates to.
Councilmember Berliner?

Councilmember Berliner,

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I would like to begin by commending my Chair, Councilmember Trachtenberg, for her leadership on this issue that I consider to be among the most daunting that we will have to absorb in very short order. And I will--

Councilmember Trachtenberg,
Does that mean you will buy me lunch, Roger?

Councilmember Berliner,
It means I will buy you lunch. I have found this process to be extremely challenging and I will confess that at the time we went through this process in the committee, I did not appreciate that the net result of the changes that we made -- and I believe for the most part, appropriate changes in terms of being conservative with respect to our revenues, that we did in fact reduce the amount of revenues for recordation tax, for school impact tax and transportation impact tax. Taking into account what I believe is the undeniable reality that these revenues are not going to be there. What I did not appreciate when we got to the conversation with respect to the bonds is that by virtue of the number that we selected at the time, we would in fact be saying to the community we cannot afford to fund our CIP. At least that is how I believe it can be interpreted. And I don't think that is the message we want to send quite frankly. If there are ways in which we can fill that hole that comport with our spending affordability guidelines. So I appreciate the movement that you have made, Chairman, with respect to coming up to \$270 in the first year. And I understand, Councilmember Floreen's proposal is \$275 in the first year and \$280 across the board. I too have had conversations with Doctor Orlin with respect to what number would it take in order to get to zero That is not showing a negative number. So that we are in effect saying to the community, we can afford that which we have promised. And as I believe I am reporting accurately, Doctor Orlin, that the number that would do that for all years but for '09, a 275 number across the board, that we would be basically about break even in '07. We would be slightly net positive in '08. We would be below where we need to be in '09, which could be revisited in '10, '11 and '12 we would be very positive. Is that a fair characterization of--

Glenn Orlin,
Almost.

Councilmember Berliner,
Almost. Okay that's better than I normally do.

Glenn Orlin,
Actually '07, if you look on page 3, which is the scenario that is recommended by Councilmembers Ervin, Floreen, Knapp and Leventhal. The first year '07 is 275, So the result is there would be a net increase of \$1.2 million. But in '04--I'm sorry that was '07 -- '08, it would be--in that first cell instead of being 24.1 it would be 18.6 instead. Everything stays the same. So in fact you would be down but only a little bit from-- It would be a negative but it would be--

Councilmember Berliner,

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.6 was it?

Glenn Orlin

I am figuring that out right now. It would be negative 1.6.

Councilmember Berliner

1.6

Councilmember Berliner,
Negative 1.6 in '08.

Unidentified Speaker

What about '09?

Councilmember Berliner,

Well '09, if it stays at 280 it would be negative .6; if it was 275 it would be about negative 5, negative 5-1/2 somewhere in there.

Councilmember Trachtenberg,

You know, I think, Roger, as well, at this time it's important to underscore the fact that these are simply guidelines. And in affect, what we would be doing by way implementing the 270 is, you know, it would trigger the number of votes that were required to adopt the CIP budget. You know, as we go down the road. And in affect, that's really what we're talking about and what would actually we'd be voting on. Whether or not we want to go there.

Councilmember Berliner,

And again as a new member, I confess I find the conversation with respect to the meaning of what we are doing to be --

Council President Praisner,

I thought --

Councilmember Berliner,

To be an abstraction beyond belief. It seems to me that if this has meaning and if we want to say to the community that we are going to meet the obligations with respect to the projects that we have said we will do, then I think it is important to have a number in there that meets that. Unless we cannot do so. And if we can, then I think we should. And so I appreciate that it does establish the bar upon which we need additional votes. But then I think we ought to establish the threshold at a reasonable level. So I would urge my colleagues to consider as a compromise the 275 number. It is not magic but I believe it comes closest and perhaps could bring us together.

Council President Praisner,

Council Vice President Knapp.

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Councilmember Knapp,

Thank you, Madam President. This is always a fun exercise and I am always impressed by the number of people who come to fill up the audience as we have the discussion.

Council President Praisner,

We are not talking to ourselves.

Councilmember Knapp,

Well which is good, sometimes we have this discussion with ourselves.

Glenn Orlin,

This is the size of the pie. After this it's just how it's divvied up. So it is in the size of the pie.

Councilmember Knapp,

It is important to remember the notion of affordability though. I was struck by a conversation I had with one of my colleagues last night who had said If it is about affordability, isn't there a number that is the affordable number? I had the discussion that said well basically there--if you look at the guidelines that effectively every number we are discussing is an affordable number given what Doctor Orlin has provided us. We're talking about gradations. The thing that I think is significant about the discussion we're having today is, at least from my perspective over the last four years that I was here, we typically had kind of two widely divergent numbers, one that was fairly low, one was fairly high and we were kind of caught between those two points. The discussion we are having today really is fairly small in trying to get within a couple million dollars of keeping our current--showing the community that keeping our current CIP funded. I appreciate the notion that we are not -- if we were to take the committee's recommendations, we are not in fact de-funding our CIP. However I think Mr. Berliner's observations are accurate in that I think the interpretation of the community is one of great concern because I think people could certainly interpret the negative numbers to mean that certain projects could be potentially delayed or pushed back. Not necessarily, but certainly could be. That is always a possibility as we start a budget process. Five votes can do a lot of things. But I think it is important for us to give the message, especially given the notion that virtually every number we are discussing is one of affordability, that the recommendation that has been put forth gets us to a number that is a little in the positive - plus 1.2, plus 3.9. But it doesn't--It certainly doesn't blow the doors off by any stretch of the imagination. I think that it reinforces the community's perspective that we are going to make the commitments that we said we will because they are affordable. And then it gives us the ability to have the conversation in May as to what the specific projects are. This is a more theoretical exercise but I think it is a good one and I think it is one that has--forces you to really look at the notion of affordability in the absence of projects specific. Because then once you get the project specificity, and it makes it much more difficult to have it, but I think we do have a commitment to funding those projects that we have already identified within the CIP. And so I think that what has been proposed--the 275 and 280, I think is within lines. I would be--I am not sure what anyone else says--I think that 275 across the board is the closest; so it gets

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to negative numbers and so I have a concern with that and so I'm still supportive of where we are. But worthy of consideration of what Councilmember Berliner has put out there as well.

Council President Praisner,
Okay, last round for Councilmembers--Councilmember Elrich has not spoken yet. You're next.

Councilmember Elrich,
Councilmember Elrich is sick so whatever he says today will be limited.

Council President Praisner,
Appreciate your being here for these items. Feel better soon. Keep your germs in hell.

Councilmember Elrich,
I think it is food related.

Council President Praisner,
Pass along the restaurant or the food.

Councilmember Elrich,
It's too much on entree (inaudible) chili. I just had a couple questions or comments. One is I understand this process. And I have observed it from the outside for a number of years. But it always puzzles me setting spending limits absent the discussion of infrastructure, what exactly you are buying. And I'm not--and the fact that there is an existing CIP with existing projects in it that were adopted by the previous Council doesn't mean that I necessarily buy into all the projects in the CIP. And it also means that if I put more money in the CIP than what's currently proposed for funding, it doesn't mean that I get the infrastructure projects that I think are most important. It simply enables us to spend. And so I don't like spending unless I know what it is I'm spending on.

Unidentified Speaker,
We're all with you.

Councilmember Elrich,
It only takes five votes to identify a project whereas it would take six votes to identify--justify spending on a project. And I think that is a somewhat a higher test to pass. And I can tell I have different ideas about some projects than other people do. And I would really look forward to having that discussion. I agree though with the comments that this isn't exactly a debate between people who have wild ideas of spending. I mean I asked some questions last night and so--one is penny on the tax rate equals \$13 or \$14 million. The impact of \$10 million in bonding is about \$1 million on the Operating Budget the following year, so this amounts to a 13th of a cent and the tax rate going between say 265 and 275. I don't think anybody's going to get, you know, booted out for a 13th of a cent impact. And I think there is plenty to think about in terms of if we're really

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concerned about a 13th of a cent--is there another place to find \$10 million. I kind of--having listened to everybody, like Roger's number as a kind of an interim place. If any of you know, I have absolutely no qualms in going over the spending affordability guidelines. I was one of those who supported the repeal of the supermajority provision I think that the Council has the right and responsibility to spend what it needs to fund the county budget adequately. So I feel absolutely no moral qualms to say 275 and then if people decide there's some interesting school projects they want to add in here to take this above 275, I might be a happy camper and go along with going above 275. But I'd like to support Roger's proposal for now. But I think everybody's position is reasonable.

Council President Praisner,
Okay, Ms. Floreen, I'll give you an opportunity to restate your motion which Mr. Leventhal has seconded.

Councilmember Floreen,
Sure that was the scenario, I mean I can count the votes on this one. But that was the scenario, which is on page two here, which is to raise the '07 bond guideline to \$275 million in fiscal '08 through 12 bond targets to 280; raise the PAYGO level to 275.5--\$27.5 million in '07; and 28 in the later years; right Glenn?

Glenn Orlin,
Right.

Council President Praisner,
And that's been seconded.

Councilmember Floreen,
That was to include--

Council President Praisner,
That was to include everything else that the committee had recommended.

Councilmember Floreen,
I was going to comment in response to Valerie's question about--we're not talking about actual projects, but I'll just, you know, the challenge with all this is that are ongoing objectives that I think many of us agree with - things like maintaining existing infrastructure, not even getting the schools' issues; noise abatements, sidewalks, and so forth. Those are all proposed to be reduced to a certain degree in the current budget amendments before us. I think the 275 number across-the-board will take care of those. But this is an annoying academic exercise that we have to go through. But the real question is what is affordable. And as Mike pointed out and as Glenn's charts point out, \$290 million is affordable under our criteria as well. And I don't know where we're all going to end up in May, but the fact of the matter is we're in better shape than we thought initially. And I would at least like to make sure that we adopt some standards here that will allow us to not show negative numbers for '08 and '09, which is what the 275 will do.

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Council President Praisner,
Thank you. Councilmember Ervin?

Councilmember Ervin,

I just need to make one quick point. I mean I think it's disingenuous of us to say that we don't know what it is we are trying to pay for. Because we do know what's in the CIP and we do know those projects that will not be funded or will be delayed if the size of the pie is not big enough to fit them all. So that is why I asked my question of you, Doctor Orlin, in the beginning. So I am just putting that out there cause that is the discussion we are having on the sixth floor right now.

Council President Praisner,

If I may comment before I turn to Councilmember Berliner for his second or third--I can't remember which one--second--second, okay, second. I guess more than anyone here having gone through this process since it was first created, based on the voters' change in the charter, Which requires spending affordability process and a Capital and Operating Budget, know better than anyone that this is a difficult and a complicated process dealing only with numbers and not with everything else. It is basically an assessment of the revenue situation that a snapshot in time and an affordability in a snapshot in time, which then triggers the number of Councilmembers required to vote on the budget. That in itself will motivate some Councilmembers to increase the number and therefore reduce the number of Councilmembers necessary to vote on the budget. any goal is to get nine Councilmembers to support an Operating and a Capital Budget. Every Council President starts with that goal. Is it achievable? Hopefully. is it necessary? No. That is where the number of votes needed is the issue through the spending affordability process. I am most troubled by the fact that the indicators that we use are not helpful anymore in my view. They are so broad that they don't provide additional guidance for us as we look at the budget, especially the one that Councilmember Andrews talked about that triggers the budget--the Capital Budget against the Operating Budget. And If the Operating Budget continues to increase then you can do whatever you want in the Capital Budget, neither of which may be a good idea from a sustainability and capacity perspective. I have also--also need to know that I'm a little concerned about how much we go through this process in an off year of the CIP. I think we need to examine whether we do anything at all in an off year of a CIP and just carry forward the numbers for the remaining five years left of the six-year CIP without any activity necessary and make assumptions that we are keeping the numbers, Perhaps with some adjustment from a standpoint of inflation or some modification. But all of these things are a crap shoot to some extent when you are talking about the out years and we haven't even explored those out years in their fullest. Most of the money in the out years isn't dedicated to a project. We're actually talk-- There are no projects. It is unassigned revenue and we will know the projects are when we get there. So whatever the dollar amount is in the out years, we've shown that we keep changing it and ratcheting it up, but we also know that there--it isn't a project that is going to be lost. Even the negatives doesn't mean that a project isn't going to go forward. Because we can vote to override, to keep the project on line. Also the dollars spent on that project

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can be slid so that they're spent in '08--in '09 rather than '08. And that is an assignment of allocation of the funding to keep the project going that our staff, Doctor Orlin, does on many occasions in order to look at the funding. We are also assuming an implementation rate of 90% which means you have more money available. We could just as easily assume an implementation rate of 85% or 80% or 95% and put ourselves in a more difficult situation. Those are just assumptions based on how fast the agencies are going to spend the money, when we award the bid, and when we pay our bills. So there are a lot of variables here that folks have a control over that can keep projects going forward without an assumption that we've called everything to halt. On the other hand there have been at least two occasions in the past where the Council had to call a halt in the middle of a year. One year where we had limited control over Capital Budgets 'cause contracts had already been set and it caused significant problems because it meant everything that is a Capital Budget item that's in the Operating Budget, meaning it's current revenue, got cut dramatically because that was the only thing we could do in a dire situation. The other, at least on one occasion, the Council decided that the Capital Budget was not sustainable and it dramatically reduced the next six-year Capital Budget by the full Council because of funding questions. Councilmember Floreen talked about the economy and how good it is. I don't see it as rosy as Councilmember Floreen does.

Councilmember Floreen,
I (inaudible) a memo

Council President Praisner,
That just talks about revenue. And In the management fiscal policy committee, and I'd invite all Councilmembers to join us, you will find that the glass--jar is or glass is probably half full on some issues. Maybe three-quarter full on another and maybe only a third or a quarter full on other revenue sources. To the extent our impact taxes and recordation tax and transfer tax is down, If we want to keep those projects going it becomes a question of robbing Peter to pay Paul. And we cannot continue to look at this budget in isolation of the Operating Budget. That is why the County Executive has said that he is holding with the numbers in a general sense and waiting until he sees how they match with the Operating Budget, and also because this is an off year. So I hope you will look collectively, and I hope, Madam Chair, that you will look and take the lead on having us look at what we actually do for a CIP in the off year. Because reexamining everything seems to me to be not a biennial CIP but a whole full-blown CIP. And I think there are some big revenue questions from the standpoint of this process that we need to look at. From a standpoint of the assumptions. And I agree it is nibbling at the margins in all of this, and the sky will not fall, whatever number is chosen, nor will the sun rise dramatically with any number that is chosen, because they are around the margins. I see two lights. I had promised Councilmember Berliner that he would be next.

Councilmember Berliner,
Madam President, as one who has just gone through this exercise, I certainly support your notion of examining whether we need to go through this process at all.

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Council President Praisner,
That is unanimous.

Unidentified Speaker,
(inaudible).

Councilmember Berliner,
Off year can we extend it to at all?

Council President Praisner,
That is unanimous, Roger. The committee will all agree.

Councilmember Berliner,
I would simply like to put you on notice that I would appreciate the opportunity to move informally, my 275 number after Councilmember Floreen's motion is voted upon, so that we have an opportunity to have an alternative if you will. Thank you.

Council President Praisner,
Councilmember Leventhal?

Councilmember Leventhal,
I had an out of date copy of the Charter in my drawer so Marc Hansen gave me the most up-to-date version and I haven't had a chance to look it up. But is the-- If the Council President is suggesting that--is the Council President suggesting that we would no longer adopt spending affordability ceilings for the CIP each year, that we would only do that biannually?

Council President Praisner,
I'm suggesting that we need to look at whether we can just carry over the numbers or look at something about the--I know what the charter says about the budgets annually, but the question I have is what we need to do in an off year. And it would seem to me that maybe we don't deal with all six years of the CIP in an off years. That is the question I'm raising. You just look at a snapshot. And some variation on that because for us to be looking beyond is the question that I have. It is not a 6-year CIP we're doing right now. We are doing only the off-year.

Councilmember Leventhal,
Well I appreciate that that is not the matter now before us. But Since the Council President has raised it, it bears some review. I mean, it does seems to this Councilmember that from year to year surprises may occur or new initiatives may arise. Certainly, you know, as Mr. Elrich just commented, I mean, you have every four years a new group of Councilmembers who may have some new ideas that they want to implement in the CIP. So I guess, you know, as we enter into this debate, and since the Council President addressed our good friend, the chair of the MFP committee I'll address her as well. I think there will be many different views about how much flexibility

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we might want to adopt towards the CIP and how eager we might be to straightjacket ourselves for long periods of time. So I just would urge my good friend, the Chair of the MFP Committee, to bear in mind if we are going to have that conversation there may be a variety of different points of view in addition to the very important views of the Council President.

Councilmember Floreen,
I would agree with you, George.

Council President Praisner,
I want to be clear what I was talking about and that is what the process looks like in the off-year, not the broader question perhaps that you're raising. But It is true that the previous County Executive treated the off year of the CIP in a way that--and the fact that we had to a biennial CIP such that we got very few Capital Budget supplementals, except in the cycle that he determined, which left us with some problems with projects waiting that could have been introduced. And The Council had the frustration--our staff shares that view, I think, as we work through the process that because of the biennial CIP, we didn't see all the projects we wanted in a timely fashion because he wouldn't send over supplementals. And again, spending affordability deals with the budget adopted, it doesn't deal with the supplemental issues. Okay, the motion in front of us was Councilmember Floreen's for raising the GO bond guides to 275 in '07, and '08; and then--

Glenn Orlin,
It's 280 in '08. Her proposal is 275 in '07, 280 in '08, and then the target's at 280 for each for '09 through '12.

Council President Praisner,
Okay. Well then it's 275 in '07 and 280 for all of the other years.

Glenn Orlin,
Right.

Council President Praisner,
And obviously because of our goal for the PAYGO levels, those numbers automatically would change given the 10%. Correct; is that what you're saying?

Glenn Orlin,
For 2007 it would go up. And for '11 and '12 would go up. The reason why the other one is in between (inaudible) is because the PAYGO is already higher (inaudible) than all the scenarios you're looking at.

Council President Praisner,
Already higher (inaudible) Okay. All right, that is the motion in front of us. All in favor of Councilmember Floreen's motion, please indicate by raising your right hand.
Councilmembers Ervin, Floreen, Knapp and Leventhal. Those opposed?

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Councilmembers Andrews, Berliner, Praisner, Trachtenberg, and Elrich; the motion fails. Councilmember Berliner, you said you had another motion.

Councilmember Berliner,
Yes, I would like to move 275 across the board. And

Councilmember Floreen,
I second that

Councilmember Berliner,
The associated PAYGO --

Glenn Orlin,
The associated PAYGO was \$1.1 million more in 2007, and \$5.5 million more in '11 and '12. Thank you.

Council President Praisner,
Okay, the motion before us is 275 across the board and the associated PAYGO changes for those years where the 275 is greater than the number before. All in favor of the motion? Councilmembers Leventhal, Berliner, Knapp, Trachtenberg, Floreen, Elrich and Ervin. Those opposed? Andrews and Praisner. The motion carries. Now we need a motion, I think, on the Park and Planning funds. You want to go with that.

Councilmember Trachtenberg,
I will make the motion on that. The motion that I'm making is that we retain the guidelines and targets for the Park and Planning Bonds. And that clearly would amend the rate later.

Council President Praisner,
Okay, the motion in front of us is the committee's recommendation to retain the guidelines and targets for Park and Planning Bonds. All in favor? That is unanimous. Oh, excuse me, Councilmember--unanimous. Okay, thank you all very much. That includes the fun and games of this spring.

Glenn Orlin,
(Inaudible) PAYGO is decided, actually authorized by the Council by resolution. And you have from last May, a PAYGO resolution for 26.4, so I'll bring back to you a resolution that would amend the current '07 PAYGO up by one point--

Council President Praisner,
This afternoon?

Glenn Orlin,
I was going to do it next week.

Council President Praisner,

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No, I'd do it this afternoon so we do all MFP today. If you could do that this afternoon after the public hearings, that would be helpful.

Glenn Orlin,
Okay, thank you.

Council President Praisner,
Councilmember Trachtenberg?

Councilmember Trachtenberg,
As we go on to the next item I just want to thank my colleagues for the instructive and thorough conversation on the guidelines. And I think the consensus was clear and again I appreciate the effort that everyone made in getting there.

Council President Praisner,
The next item on the agenda is District Council. We have Zoning Text Amendment 06-25, Signs - Generally and Arts District. The PHED committee recommends approval. The committee recommends approval with an amendment to include parcels regulated by a signed concept plan within the definition of property. And we also have added a definition on the term "property" to accommodate that issue. It was brought to our attention when we dealt with this Zoning Text Amendment that there may be situations where the sign for a complex, say a shopping center or maybe for that whole shopping center, maybe on another property rather than on that individual property owner's parcel. So we wanted to accommodate that issue. The definition property is one or more parcels of land that include buildings under common control, operation or ownership, or are subject to a project plan, site plan, signed concept plan or combined urban renewal project plan. And the committee recommends approval. Is there anything you wanted to add, Mr. Zyontz. If not, this is a roll call vote.

Council Clerk,
Ms. Ervin.

Councilmember Ervin,
Yes.

Council Clerk,
Mr. Elrich.

Councilmember Elrich,
Yes.

Council Clerk,
Ms. Floreen.

Councilmember Floreen,
Yes.

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Council Clerk,
Ms. Trachtenberg.

Councilmember Trachtenberg,
Yes.

Council Clerk,
Mr. Leventhal.

Councilmember Leventhal,
Yes.

Council Clerk,
Mr. Andrews.

Councilmember Andrews,
Yes.

Council Clerk,
Mr. Berliner.

Councilmember Berliner,
Yes.

Council Clerk,
Mr. Knapp.

Councilmember Knapp,
Yes.

Council Clerk,
Ms. Praisner.

Council President Praisner,
Yes. The Zoning Text Amendment of 06-25 Signs - Generally and Arts Districts, passes unanimously. Now, I'll turn the mike over to the Chair of the T&E Committee. We have action on State Transportation Project Priority List and the T&E Committee has recommendations.

Councilmember Floreen,
Thank you, Madam President. As we start this one, this is sort of in the category of the last item insofar that's it's kind of a work in progress, A continuing effort over a number of years to establish in concert with the County Executive a list of transportation priorities that we want our state delegation to pursue at the state level for state projects. And I do apologize because upon thinking about this, I realize the full--some of the new

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Councilmembers haven't had the benefit of the agonizing description of all of the projects and the rationale therefore that some of us--

Council President Praisner,
But you're not going to go through that.

Councilmember Floreen,
That have lived through. And well I don't mean to suggest these lists are not subject to further re-visitation by Councilmembers. But what the list before us reflects is really the product of a number of years of work both on the Council with the former County Executive and with a former delegation. And now with a new state delegation. And what has happened since the T&E Committee took this up is that the County Executive joined in, and actually has prepared-- We didn't have this when the committee looked at this-- have a letter that he has signed already, basically reiterating the priorities and supporting what the committee recommendation is for the variety of projects on the list. The focus of this--so that is something that the committee did not have before us but it is attached as Exhibit A to the committee's series of recommendations. This is a communication that is typically transmitted to the delegation early on. Of course, it has been delayed out of respect to the new County Executive and the new Councilmembers so that they would have a chance to weigh in. Glenn is optimistic when he writes here that the general assembly will enact a major revenue measure for transportation. We would like to think that Mr. Orlin is right and the glass is half full for a change on Mr. Orlin's side. Mr. Orlin, from the Councilmembers--well you just went through it. Mr. Orlin tends to be conservative on these financial issues. But that he should be so optimistic is, of course, a joy to my heart. Seeing as--well I am not even going to comment on what's going on in Annapolis right now. But the fact of the matter is that the last Council had put together some initiatives that everyone joined in on, which involved some cost sharing initiatives with the state on intersection and road improvements and transit initiatives that we feel very good about. And it's identified, I think, in the County Executive's letter. We basically have paid for the new garage at the Glenmont Metro Station. And we have also funded a study--this is on the--I think we've funded haven't we, the study for southern entrance to the Bethesda Metro Station, which would ultimately support the Purple Line. We have also put on the table dollars to go towards the design and right-of-way acquisition for the Georgia Avenue and Randolph Road grade-separated interchange, as well as money towards the design of I270 Watkins Mill Road interchange. So those are projects that are currently advancing in coordination with the state here. There is a lengthy list, it is kind of complicated to switch back and forth on from the various categories. And I am going to have Glenn take us through the specifics. But if you do turn to Circles A, B and C, it's all conveniently located in order. The County Planning Board weighed in and had a variety of recommendations as to prioritization that we took up and we examined. We made a couple of changes here and there. Primarily, the main thing, I think, in terms of community input was that we added investment in a Forest Glen Metro Station pedestrian tunnel under Georgia Avenue to our priority ranking list for transit projects and put that in as number two. That is a whole new project but we feel that given the challenge of that particular intersection and the need of that community, both in terms of pedestrian access and in terms of transit

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serviceability, that this was a key issue. And the rest of the things on the list are modest--a few little reorganizations of items but nothing on the grand scale of major debate. But I do think we should probably--I'm assuming that the Council would like us to go through the list. And Glenn can explain some of the background for all of this.

Council President Praisner,

I don't care whether you go through them or Glenn, but if we could just move through them and just make one- or two-sentence comments, I think that is all necessary. That would at least give an opportunity for Councilmembers who may want to raise a question or a comment about the project to do so. But to keep us moving along.

Councilmember Floreen,

That's absolutely fine.

Glenn Orlin,

I will just make a couple comments and then highlight the changes from the last letter rather than going through each project.

Council President Praisner,

I do want to go down the list so that if Councilmembers have questions or comments, they do have that opportunity. I just don't want to spend a lengthy amount of time on each of them if there are no questions or comments.

Glenn Orlin,

Actually the best way of looking at this maybe is to look at the letter on Circles A, B and C and work off of that. The second paragraph on page -- on circle A caller refers to the four, we call them in our packet--I call the packet mega-projects, but these are the very, very large projects of region-wide and statewide significance, which are in the state's D&E program. D&E means development evaluation, which means they're a program of projects which are not funded for construction; that's the key. They're funded for planning, some of them are funded for some design; there may even be some right-of-way acquisition that's programmed, but not construction. What the Council did last year and the Executive last year was just name the four of them. Say there are no priorities here, that all four of them are needed, they're listed in alphabetical order. Mr. Berliner has some suggestions.

Council President Praisner,

Yes, I think it would be a good idea to deal with it right now, since we are working through that issue at that point. Roger, if you'd like. Mike please.

Councilmember Berliner,

Thank you, Madam President. When I reviewed this first paragraph, I was--second paragraph, excuse me--I was struck by the fact that we really were not differentiating between our major road projects here and our mass transportation projects. My own view is that we need to do so. And that our community and needs to be sustainable. We need smart growth and that we need to focus our priority on our mass transportation

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projects. I think History has shown that there is always the political and financial capital to support major roads, and where we come short is in our mass transportation projects. So much is--Councilmember Leventhal reminds us about homelessness, and this is something that the county can do and therefore we put our emphasis there. In some respects, I believe, this is where this Council needs to put its emphasis is on the projects--the mass transportation projects that always lagged behind. So the language that I have shared with my colleagues would ensure that we are stating that our highest priority is in fact our mass transportation projects. The other significant modification that I would--proposing, and I will read the language of course, is that we--there is a sentence in here that says, "Funding of federal and state mega road projects must not delay these urgently needed mass transportation projects." And the point is that we've heard a lot of conversation with respect to the impact of major roads, on our ability to fund these mass transportation projects. And I believe This Council has made it clear that it supports additional revenue, which is why we supported on a 9 to nothing vote an increase in the gasoline tax. So in many ways this sentence is designed to complement that which the Council has already done and gone on record to do, which is to say we cannot afford not to have the financial wherewithal to move forward with these mass transportation projects. So let me read-- I apologize for doing this out of order. I should have read it first. But Let me read the proposed modification to the second paragraph. "With respect to the unfunded projects of regional and statewide significance, Montgomery County is guided by its commitment to sustainable development and smart growth. Accordingly, the two major transit ways," listed alphabetically, "the Corridor Cities Transitway, CCT, from Shady Grove to Clarksburg, and the Purple Line from Bethesda to Langley Park, extending east in Prince George's County to New Carrollton, receive our highest priority. Funding of federal and state mega road projects must not delay these urgently needed mass transportation projects. Other regionally significant projects with high priority are the I270 Widening for high occupancy toll HOT lanes or high occupancy vehicle HOV lanes, north of Shady Grove, and the I495 widening for HOT or HOV lanes between the 270 West spur and Virginia. While there are issues to be worked out on important aspects of some of these projects, decisions must be made and funding must be identified promptly to move then forward to completion." I was--

Council President Praisner,
Substitute for the second paragraph of the letter.

Councilmember Berliner,
That's correct.

Council President Praisner,
As currently on Circle A of our packet.

Councilmember Berliner,
And I was pleased to work with my colleague Councilmember Andrews and Elrich with respect to this, as well as my other colleagues and I have bounced this language off the County Executive, who of course as you observed, Madam Chair, has signed this letter.

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And I am advised that he would be more than happy to put his signature on this revision.

Councilmember Floreen,

This is certainly consistent with everything we've said on the issue. So as long as-- The committee didn't write the letter, so as long as Mr. Leggett is fine with it, I don't see any reason why we can't proceed. I'm sure Ms. Praisner (inaudible)

Council President Praisner,

I would like to have it formally introduced as a motion and seconded just so we're clear about the fact that we are changing the letter in case there is any confusion. So I will interpret the reading of it as a motion to change paragraph two and second by Councilmember Andrews. So That amended letter language is in front of us, as Councilmember Floreen indicated, I think the T&E Committee, not having seen it formally though, it's consistent with our actions before. And I would-- Unless there are any lights on this issue, take a vote on replacing that second paragraph with this language. All in favor of doing so? It is unanimous. Thank you, Councilmember Berliner. Okay, we're back to the play-by-play.

Glenn Orlin,

The bottom--

Council President Praisner,

And with that, why don't you just take us through the bulleted things; don't go into as much detail unless someone has a question.

Glenn Orlin,

Okay, so I'll skip the bottom Circle A. Okay.

Council President Praisner

We'll go to Circle B.

Glenn Orlin,

Circle B, these--the top half of Circle B are the projects which are already in the state's project planning D&E Program. And the question is If more money became available to actually construct them, what's the order of priority. First is the Georgia Avenue-Randolph Road interchange, the Glenmont--so just read them? Questions--

Council President Praisner,

Might as well. People are watching this and may not have a packet in front of them.

Glenn Orlin,

And I'll note whether it is a change in priority from last year.

Council President Praisner,

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And a Councilmember who wants to comment can put a light on and we'll go to that one.

Councilmember Floreen,

Let me just say, the reason that this priority list is important is that within the current CIP, there are dollars allocated for participation with the state, And negotiation for advancement of a variety of these projects depending on the state's ability to proceed and our agreement with the proposal that is advanced. And the hope is that we would work through this list in addressing that negotiation. So this basically creates the contours for that conversation with the state. So that's a relevant element to this list.

Council President Praisner,

No, Councilmember--Vice President Knapp would like to speak.

Councilmember Knapp,

Well as it relates to the Council's efforts last year in this list, but it is important for us to prioritize these. I just wanted to make a note that this is a trend that is taking place not only here in Montgomery County but throughout the region and across the country where local governments are assuming a much greater burden of transportation funding. The council of governments released a report back in October of this year which showed the trend over the last five years in which state contribution to transportation funding has dropped about 11% to be offset almost directly by an 11% increase in local transportation funding. And so I just wanted to make that observation that I'm glad that the Council has stepped up to the plate and done this But this--we should use this also as an opportunity to keep the pressure on because states continue to push in this direction, and That is wonderful, but that means we don't have enough resources as we just had the discussion of spending affordability about 25 minutes ago, to be able to fund all of the transportation projects that are necessary. And so this is a great way for us to jump-start these projects. And I think it is worthy and laudable. But just recognize this is something happening throughout the nation and we need to use this as a leverage point to really make sure we get those dollars coming back from the state.

Council President Praisner,

Let me just for historical memory remind folks that the widening of Georgia Avenue was funded by Montgomery County, portions of it, years ago. And I don't think we ever got reimbursed as I recall.

Glenn Orlin,

Right and every deal--just about every deal with the state has--we put up the money; that's it. We don't get the money back.

Council President Praisner,

And that's one of the concerns that was raised last year when the Council I believe unanimously supported the new initiative to try to jump-start projects. Howard County has been doing this in recent times quite a bit. And I know other jurisdictions are. Our

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friends across the river have other challenges with the state structure in Virginia. But one of the problems it seems to me, is one of making sure that if the county is putting the money up and is in essence making projects possible, that the state shouldn't be picking and choosing from our list, But that we should hold firm on our priorities because otherwise the projects wouldn't go forward at all. So I think The County should be more in the driver's seat in the future on those issues. At the same time, I think this Council, as Councilmember Berliner indicated, has already gone on record, as some in the state are now beginning to acknowledge more over the fact that we need an increased revenue source for transportation projects as well as a dedicated source for the funding of metro. And if we don't get those, we are still nibbling on the edges as well.

Councilmember Floreen,

If I could just agree with you even more firmly, Ms. Praisner, the state also needs to keep its hands out of this transportation trust fund to fund the rest of government, and pay back the dollars that were removed in previous years to fund the rest of government, which is the debate du jour, or maybe the annual debate in Annapolis.

Council President Praisner,

So that all what Councilmember Floreen is referring to is that in the past four years the state took money from the Transportation Trust Fund--county money and state money--reimbursed the state money but never reimbursed the county money. The commitment was that it would be two years of local money, and At least be thankful for little crumbs. It wasn't greater from an ongoing basis of sustain. Okay, let's go through the list.

Glenn Orlin,

Number two on the list is the I270 Watkins Mill Road extended interchange in Gaithersburg. Number three is the widening of Woodfield Road 124 to six lanes between Mid County Highway and Snouffer School Road. Number four is the Brookville bypass--Georgia Avenue bypass around Brookville. Number five is the grade separated interchange at Georgia Avenue and Norbeck Road, The north end of Aspen hill.

Council President Praisner,

Just a minute--

Councilmember Knapp,

Quick one on number five. What is the timing for that? Is that contingent upon ICC construction or can I move ahead independent of that?

Glenn Orlin,

None of these projects are funded for construction.

Councilmember Knapp,

Let me just say--recognize the fact that after I spoke with the Secretary of Transportation over the weekend. All of our transportation discussions right now are kind of a moot point because until we address the revenue shortfalls that we know we

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have, nothing goes forward. But assuming that we actually had resources, is this--is the timing of this contingent upon anything else or is it contingent funding alone?

Glenn Orlin,

Funding alone. The inter-county connector first stage is going to open to Georgia Avenue just north of there in 2009, and the rest of the way by 2011. But there is no other project in the immediate area which is funded for construction. Neither this nor the widening of Norbeck Road East of Georgia Avenue, which is a little further down on this list.

Council President Praisner,

I think the one concern about that project, if I can--about this project, the grade separated Interchange, is the amount of years that folks in that area will have congestion/construction problems. It is not unlike the challenges that folks in the Route 29 area have been experiencing with the road 198, 29 realignment and the Briggs Chaney and Cherry Hill Road grade-separated interchanges. You go from one construction project to another. You have turmoil for a significant period of time. And I think that is one of the concerns that would urge us to both look at the schedule, but also to move forward on this, which is challenging itself. And The other point, of course, is part of the challenge of this is not just crossing that intersection and the signalization and The grade-separated interchange, but you move to a two-lane road on the other side, and That is part of the problem. So let's move through

Glenn Orlin,

Number six is Klopfer Road Route 117. Improving intersections from I270 to Seneca Creek State Park in the Quince Orchard area. Number seven is the Spencerville Road Route 198 through Burtonsville, widening it to four lanes from Old Columbia Pike to U.S. 29.

Council President Praisner,

Let me just comment on that one. This is moved up a little--this is at least where it was before.

Glenn Orlin,

Everything moved up one space.

Council President Praisner,

Everything has moved up because of the dropping of the top project. But Given the loop road being constructed by the county in that area, this becomes even more critical and consistent with Councilmember Leventhal's comments this morning with the County Executive about county projects or activity having a negative effect on small businesses. That is another area that is stressed by virtue of the road realignment, the loop road, and folks need to know that this project is moving forward or at least we are clear about what the design will be. And we are being joined at the table by the head of the Department of Public Works and Transportation.

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Councilmember Floreen,
I should have asked General Holmes if wanted to make--

Council President Praisner,
He wanted to come on this one I think.

Arthur Holmes, Jr.,
The County Executive asked us to look at that and to look at the scheduling. And so we were given that two days ago. I think after having some conversations with the president --

Council President Praisner,
Well I think the County Executive has to drive through that area every day, so he probably sees it. Okay, number eight.

Arthur Holmes, Jr.,
(inaudible) we be reporting back --

Councilmember Floreen,
Revisit spending affordability.

Council President Praisner,
Number eight.

Glenn Orlin,
Number eight is Norbeck Road Route 28, widening it to four lanes between Georgia Avenue and Layhill Road. And I should say these top eight priorities have not changed in relative priority from the last letter. They all moved up a notch because of Glenmont garage but really effectively no change to those first eight. The next one though the--

Council President Praisner,
Councilmember Leventhal?

Councilmember Leventhal,
I just wanted to ask Mr. Orlin at some point--no urgency, you know, these things very rarely move off of the list. I mean, you know, we've been here four years, this list--I've been here four years. This list has stayed almost identical because the projects don't get built. I just want to make that point. I mean we are going to be waiting--we're going to be waiting a long time for these things.

Glenn Orlin,
Well.

Council President Praisner,
Some more than others.

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Glenn Orlin,

I just want to make one comment. The last time there was a significant revenue increase in 1992, we had a list like this. And actually the first six or seven projects off that list were funded. So it depends how big an increase it is and how much money comes to Montgomery County.

Unidentified Speaker,

And how big the projects are.

Council President Praisner,

And how big the projects are, exactly.

Unidentified Speaker,

One of them at \$124 million.

Glenn Orlin,

(inaudible) suggest about staging but we'll talk about that today. Number nine is a project which the T&E Committee is recommending, jumping the previous queue a little bit, which is the phase 2 of the Rockville Pike Montrose Parkway interchange. This is on the east side of the pike going across the CSX tracks on a bridge and then would connect to--if it's following the master plan alignment--would connect to the county's Montrose Parkway east project which the Council last year funded for design. It's at the--basically the end of zoning planning right now and about to go into design. So The feeling was this project had to be accelerated some so they could have hopefully not a repeat of the same problem we've had on the west side of the pike where the interchange is being built at a slightly different time as Montrose Parkway was. The next one is I270 New Cut Road interchange, in Clarksburg. The next is the remaining sections of the Maryland 124 widening project the state has had in design for a number of years. One section from Snouffer School Road to Airpark Road and the other FieldCrest Road to Warfield Road. The priority number 12 which is dropped in priority is the U.S. 29 Fairland Road/Musgrove Road grade-separated interchange. And then the 13th priority is the widening of Route 28 and 198 to four lanes between Layhill Road and Old Columbia Pike. And the 14th priority on this list--the last one, is the a change in scope, if you will, of this project planning study based on the city of Rockville's reaction. The last letter was for an interchange at Viers Mill Road and First Street just east of here. The city is not happy with the designs that the state has come up with and they've recommended a study--broader study of the four intersections in the immediate town center area. So this would essentially refocus that same project planning study to look at the Rockville Town Center intersection improvements. Maybe--

Council President Praisner,

Let me ask a question about that and only because I wonder about the dollar amount the associated; Has that changed?

Glenn Orlin,

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Well this is a plug number. The \$85 million was the cost for the interchange at Viers Mill Road and First Street--

Council President Praisner,

But why would we want to automatically spend \$85 million on intersection improvements if that was a huge intersection cost? Yeah, the grade-separated, et cetera kinds of issues.

Glenn Orlin,

Let's put it this way. We should plug some kind of number in here. We have no idea what the improvements to four intersections would be. I think we're talking about improvements to four intersections, \$85 million if anything might be conservatively low. So I--this is-- Hopefully for next time --

Council President Praisner,

Well it's way down on the list obviously, but the-- I just have a concern with automatically putting in money and changing it, you know, from the cost--putting in a cost number that's associated with the previous recommendation and automatically assuming that it is going to be that number.

Councilmember Floreen,

Let me just comment that the challenge with this one is respect in the city's preference on the subject and understanding that, I think that they want more--I am not sure what they really want, but they want a more modest approach to solving a complicated problem. And if it's doable, bless them all. I think we would certainly agree that the items like this, it is just an academic number at this point. But at least it is on the list and that allows it to be given some attention.

Glenn Orlin,

Admittedly that is a plug number. I think basically the city doesn't know what it wants yet. All I know is they don't like what they've seen.

Councilmember Floreen,

They know what they don't want.

Glenn Orlin,

Right. The next--

Council President Praisner,

Okay. That's the list of the projects in the first category. Then we will go do the development and evaluation D&E Program.

Councilmember Floreen,

Let me just say with respect to this category, this is in form to a certain degree by some of the comments of Park and Planning in particular. Some of a language has been changed to address some of the community implications of pending issues such as a

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need to re-look at the whole Montgomery Hills North issue. And then the BRAC issue With respect to Rockville Pike from Woodmont up to the beltway. That's really informed by the BRAC issues as much as anything else, and of course we reserved judgment as to exactly what we think about all that.

Council President Praisner,
So one and two have been modified in order to broaden--

Councilmember Floreen,
It had been adjusted.

Glenn Orlin,
Scope and broaden--

Councilmember Floreen,
Likewise, the planning board made a number of comments with respect to a hiker/biker trail associated with the ICC, and we have inserted that in this list to be looked at as part of an independent effort. That is number five. And let me just say we disagreed with them about taking--they proposed taking out the grade-separated interchange at Rockville Pike and Nicholson Lane, and we had some real concerns about eliminating that from the conversation because of the redevelopment that we expect to occur in that area and the need to increase pedestrian accessibility. So we need to have a real serious conversation with Park and Planning about their thoughts on that, but we do not want to remove that one from the conversation at this stage of the game. And as Ms. Trachtenberg--as I live very close to this, I am sure she would agree with me that we need to do something.

Councilmember Trachtenberg,
I would hope that we could have some very thorough conversations about why those changes are really a necessity for the community.

Councilmember Floreen,
Well right. Well at this point we're not eliminating that from the mix as Park and Planning as recommended.

Council President Praisner,
Well it's in the development and evaluation stage, so it's where you can have those more aggressive conversations.

Councilmember Floreen,
And this really is a wish list. We do agree.

Glenn Orlin,
Actually what this list is, is these are things that we want to put into the development and evaluation program. They're not in the —CIP--

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Council President Praisner,
That's right, which means it is a study process that hasn't even begun.

Councilmember Floreen
It is a dream.

Glenn Orlin,

Yeah, these are things we'd like to have them study, which is the first step towards-- eventually. I'll just read through them quickly again. And this list is the ones that will be under (inaudible) State Highway Administration. First is the Georgia Avenue reconstruction in Montgomery Hills, as you all have already referenced the scope would be expanded from merely the Montgomery Hills business district, to go through the beltway area north--to just north of Forest Glen Road. Second is the Rockville Pike improvement. Previously, this has just strictly been an interchange at Rockville Pike and Cedar Lane. Again broadened to include The whole range of the pike from north of Woodmont Avenue where Wisconsin Avenue becomes Rockville Pike, all the way up to the beltway. The third is Mid County Highway extended which is the construction extension of the county highway where it ends today at Shady Grove Road and connecting to the inter-county connector, as per the master plan. Number four is the interchange at 355 and Gude Drive between Rockville and Shady Grove. Number five, Ms. Floreen mentioned, is a new study for this list, or a new request for this list, which is the hiker/biker trail along the entire length of the inter-county connector. The state will be building Part of it as part of their project but not all of it. Number six is the mid-county highway flyover with Sam Ego Highway. Number seven is the Frederick Road Maryland 355 bypass in Clarksburg. Number eight is the Rockville Pike/Nicholson Lake grade-separated interchange in Flint. Number nine is the 355 reconstruction in Old Town Gaithersburg; a similar type of project is the number-one but this is on Frederick Road in Gaithersburg. Number Ten, Viers Mill Road, Randolph Road grade-separated interchange. Number 11, Viers Mill Road widening from Twin Brook Parkway to Randolph Road. Number 12, the I270 to Gude Drive grade-separated interchange and this is in Rockville's master plan and has been a request for the city of Rockville. And finally number 13, Maryland 108 bypass around Laytonsville, which was requested by the town of Laytonsville. And then finally the last list, which are again projects or studies that are not yet in the state's program, but these would be transit studies done by either the Maryland Transit Administration--MTA, or WMATA, depending upon which project we're talking. Number one priority is the Viers Mill Road Bus Rapid Transit line between Rockville and Wheaton. Actually the county has already done some previous preliminary planning facility planning work on this. Number two was the new study Ms. Floreen mentioned, which is a pedestrian tunnel under Georgia Avenue with the Forest Glen Metro Station which would connect to the northeast quadrant of that intersection. Number three is the Georgia Avenue bus-way from Glenmont to Olney. Number four, University Boulevard Rapid Transit line from Wheaton to Langley Park. And then the prior list the next two projects were actually the same priority but we've split them. Number five is the north Bethesda Transit way from Grosvenor to Montgomery Mall. Number six is a Purple Line connector from Langley Park to White Oak.

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Council President Praisner,

In the case of the Purple Line connector, I think the Park and Planning Commission had recommended removal of that because it is not in the master plan, but we had some comments about, and the committee had some discussion about the fact that this had been recommended through our transportation priority process.

Glenn Orlin,

TPR, right, task force.

Council President Praisner,

And I share some of the planning board's concern about the fact that it is not in the master plan but I also believe that it is so far down the list of things that will be looked at that in the context of looking at F.D.A. Issues and also in the context of some of the other things that are being done or hopefully would be done a lot faster, that by the time we get to this project, Looking at it is either will be amended in future master plans or at least needs to be in the queue to be explored and perhaps rejected at some other point, but it can't be if it isn't on the list. It can't be evaluated.

Councilmember Floreen,

And that really was the committee's feeling about that, Madam President. We are not going to get anywhere if we don't start. And there are elements of the Purple Line that aren't in master plans, but nonetheless, it continues to be a community-wide priority. And Given the timeframe, I think we'll have an opportunity to make any adjustments necessary, if that is the issue.

Council President Praisner,

I do know that we got a letter from the city of Takoma Park yesterday late. But as I recall looking at the letter, their priority was the Purple Line. And the other comments dealt more with other kinds of projects that are not necessarily -- that are not associated with this list. Repavings and pedestrian and other issues that are not in the context of this list. So I think we have probably responded to the Takoma Park concerns. I wanted to make sure that because of course we have in the packet the comments from the City of Gaithersburg and we already had a discussion about the city of Rockville's concerns, so I wanted to make sure Takoma Park got equal attention. Councilmember Leventhal?

Councilmember Leventhal,

Well I just wanted to say about the White Oak issue. I just thought it would be a mistake to drop it. Because that calls attention as though we had made some decision when in fact we hadn't although. And then I notice on Circle 3 it wasn't included in the letter three years ago. I thought we had been carrying this for many years.

Council President Praisner,

It was but it wasn't phrased that way, George.

Glenn Orlin,

It is there, Mr. Levanthal. Look at number--Circle 3, number 4--

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Councilmember Floreen,
It is there it's in number 4.

Glenn Orlin,
It's--there's two projects lumped in the same category--

Councilmember Leventhal,
Oh, it is, it's not separated out. Okay. So that was my point. We've been carrying this for many years. I remember discussion of this a long, long time ago.

Council President Praisner,
That's why I said what I said there.

Councilmember Leventhal,
So to drop it makes it appear as though we had actually made a decision, which we have not.

Council President Praisner
No, it just was number four last time--had two put together and it was called the White Oak connector from bi-county transitway, and this way it's called from the Langley Park--it's worded differently. Councilmember Ervin.

Councilmember Ervin,
I just wanted to respond to the letter written by the city of Takoma Park. A lot of the concerns they had will be taken up in the upcoming master plan discussions, Tacoma-Langley master plan. So I wanted to just bring that up if anybody's listening to this because we have a very interesting master plan coming up because it's a bi-county master plan. And I don't think we've done one since the 1960's. But a lot of the--their issues are going to be taken up in the master plan.

Council President Praisner,
Okay, I see--Councilmember Elrich, I'm sorry.

Councilmember Elrich,
I'd just like to point out that the Council received--you guys probably don't the electronic form not paper form--but 288 emails suggesting that the Council support mass transit projects over the ICC. And 95 additional emails were that we do the Purple Line over the ICC. And so I'll say what I said before, I think it's sorely lacking from this discussion. I mean we look at this list of projects and we know it's all vapor ware; nothing on here that's real. The only real project in the state is really the ICC. And we know pretty much that we're not going to see funding with the other projects. I mean (inaudible) made it clear there's no money. I can't find a legislator who will look at me with a straight face and say we are going to be able to fund Montgomery County's real priorities. And I wish that we could get to some point where we honestly look at how much money we are going to have in a 10-year timeframe or a 15-year timeframe and make some priorities

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over where we're going to go. Because I think if we--if we wind up sinking all of our money into the ICC and the state's attitude is as it is now that you have got your project and everything else goes in the queue. The two most important projects to me are the two rail lines--are never ever going to happen. And I would add to that that I look at all these bus way projects which is just a shame that they are languishing even if the development is in the (inaudible) stage, because here is the least expensive way to add mass transit capacity. Taking out--you know, if you don't own the right-of-way, taking out a curb lane, running dedicated busses during rush hour in order to expand capacity. There are any number of things we could that could expand transit capacity that aren't on the table. And To look at these bus ways languishing in the process which God knows if we'll ever get to this line of things that will never happen, I think it's really a shame. It doesn't mean--we're not planning for I think the sound transportation future of this county. We have put all of our eggs in one basket and at the end of the day, we'll get the basket and then we're going to be looking at these intractable messes, and as George pointed out, you will be looking at this list four years from now or three years now and nothing will have moved. I just don't see this state legislature coming up with the revenues to do this. I guess the alternative is that if people are really serious, maybe the county needs to think about how to self-fund some of these things. You know we can wait for the state forever, but at the end of the day if the state is not going to do any of this, I mean, why are we forward-funding road projects and not banking tens of millions of dollars a year to build a real project, or do a bus-way project. I mean If we just did in changing the transportation next year, why is the only money we're really willing to commit to basically road projects and you know, you throw in a little entrance to the Bethesda Station for Purple Line, which may not built at any time soon, and there are a lot of real things it seems in the way of transit we could be doing. And I think sooner or later we're going to have A discussion about what it is we're willing to fund and how we'll look at the spending affordability guidelines, Nancy, as we speak--be chomping at the bit to say that and This is one of the reasons why--

Councilmember Floreen,
I knew this would happen, Marc.

Councilmember Elrich,
And this is one of the reasons that I want to be sure that the discussion about spending affordability is tied to projects, so that we make decisions about where we want to go and decide how to spend money; not decide how much money we want to spend, and then see which pet projects pop up on 5-vote majorities. But I'm not happy with where we are and I think a few years from now people are going to be looking at what we have done and the few people that are going the benefit from the ICC might say this is fine, but the rest of the county is going to say where are my transit projects.

Councilmember Floreen,
If I could can just comment on behalf of the work we've done so far, again, That's why I started off saying--drawing everyone's attention to Circle A and it's in the memo there which shows how we really racked our brains in the last Council to advance this much money for transit initiatives that we could identify, that we could proceed on. Now they

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are not transit ways per se, but certainly the Glenmont garage and designing an entrance to the Metro in Bethesda, which is really not our job and subject to a lot of coordination with other agencies--WMATA and the state, Evidences that we've done what we could at the time at least to advance these things. It was a change in policy really where the county had said it's not our obligation, we have other needs that we should be prioritizing our dollars on. And it took some debate and conversation, and the jury is still out in some areas as to whether this is the best way to advance these initiatives. But the fact remains our greatest congestion is in--is addressed, I think, on state projects including transit and we've done what we can so far to move those forward. It is a question of dollars. It's also a question of capacity. As Mr. Holmes would tell you and as the T & E committee discussed the other day, we can't buy anymore busses because we don't have a place to refuel them until we do some major land use activities in the Shady Grove area and the up-county area. We have significant increases in transit use we would like to facilitate, but we've got some basic stumbling blocks here locally before we can do all that we'd like to say--right, Marc, in I'm glad you're with me.

Council President Praisner,
Councilmember Leventhal.

Councilmember Leventhal,
I have probably met every one of those 288 and 90 people in the course of the last few years and I guess my biggest frustration on the County Council is how little the County Council actually can do to ameliorate the transportation misery that my constituents feel. And I think we run a significant risk if we buy into the idea that we are the ones building the inter-county connector. I'm getting these messages; Mr. Elrich has, you know, cited some of them saying why are you building the inter-county connector? The County Council is not building the inter-county connector. It's a federal and state project. The more we place ourselves out there as the ones who are doing these things when indeed we are not, The more we appropriately and fairly deal with the anger and frustration of our voters when in fact the county is really very much limited in how much progress we can make on any of these issues. So much of this conversation which I'm sure we will continue to have, and we've had it and the County Council has had it before I got to the County Council; unfortunately is sort of symbolic and political rather than substantive. I appreciate we're adopting a list of priorities here. Some of these priorities I hope to actually see accomplished in my lifetime, but it's going to take a very, very long time. It would be fine with me if the forward funding of transportation projects heavily emphasized transit, and as Mr. Holmes and his team negotiate with MDOT, you know, if there's opportunities to advance the Purple Line or the corridor cities transitway with some of the forward funding, which I strongly support, I'd be very much in favor of that. As Ms. Floreen said, I don't think the Glenmont Garage is insignificant, and I don't think the west entrance of the Bethesda Metro is insignificant. The transit advocates pushed us very, very hard for that as the opening bid to build the Purple Line, which as my colleagues know, I and unanimously this Council strongly supports. But we're not building the Purple Line either. We, Montgomery County, are not building these projects. They are not county projects. And so if we want to put ourselves out there as

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the recipient of all these communications fine; if we want to make it sound as though we're the ones making the decision, I think it's very risky because we're going to be the ones who end up taking the brunt of people's frustration with their transportation misery. The other point I just have to make is this: I understand that about 14% of county residents use transit and that's substantially higher than most of the rest of the United States--about second in the United States. And I would love it if we could substantially increase that number. I, and all my colleagues are strong advocates for transit, and we want to do more, more, more transit; absolutely in every way that we can. I have to say though I also represent 86% of the people who don't find it convenient to use transit for whatever reason, who have family issues or other demands on their time, or their job is not located next to transit. And so I do try to keep in mind the needs of the 86% as well as the 14% -- if we could get that 14% to 18 or 20 or 25, that is highly desirable. Whatever we can do I would vote for if we can find a feasible way to do that. If we can forward fund more, absolutely, I'm in favor of that. But we do need to consider the needs of those who are not able to use transit. And so I've always believed that both transit and roads are necessary to address our needs. At some point we're going to have to get away from gasoline burning engines, and at some point we're going to need to have sugar cane ethanol or a much greater use of hybrids. I'm glad we endorsed the clean cars legislation pending in Annapolis. I like to ride my motorcycle when the weather is warm enough. I would encourage everyone to identify alternatives to gasoline burning engines. But as long as technology is available, human beings will avail themselves of technology that makes their lives more convenient and easier. And the likelihood is people are still going to want to use individual vehicles to get themselves where they want to go. We're always going to need roads unfortunately, as well as transit. And I'm a strong supporter of transit.

Council President Praisner,
Okay, I see two lights. Councilmember Knapp

Councilmember Knapp,
Thank you, Madam President. The one point I think that is consistent among everyone that's spoken today is the notion of transportation financing and funding. And unfortunately we're seeing across the river in the state of Virginia it looked like they had some solutions moving forward and they appear to have all fallen apart. Our state appears to, for a variety of pragmatic--at least pragmatic politically reasons--politically-oriented reasons, will likely not take up transportation funding this year. And so the expectation is that they will do it next year. I think we are facing a critical juncture where within the next 2 years these jurisdictions--the states do not begin to address this issue. We have to figure out how to do it. And so I think what we've done with bonding last year was a step forward, but not necessarily a particularly a creative thing. And I think we're going to have to start to facilitate a dialogue on transportation financing because we are the providers of last resort. I don't necessarily want to establish a precedent we're going to pick up all of the shortfall by the same token. We have to address the issue. And so if the states aren't willing to do that then I think that our first--first and foremost, we can't advocate our role in advocacy. As Mr. Leventhal correctly pointed out these aren't our projects per se right now from a funding perspective, but they are ours

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to make sure the people know that we're advocating for them. And as I've said, there isn't a transportation project that we probably shouldn't be pushing for with our transit projects moving forward quickly. But we've got to really advocate strongly. And the legislature just published a transportation funding task force report this past week, which shows some interesting trends as it relates to transportation funding throughout the state, as to where the growth centers are, where the population is; relative to where the transportation dollars are currently being spent. And I think that's something that We have to really sit down in a strategic way and talk with our legislators as to how do we readdress these additional funds that may come forward in the coming years as opposed to looking how we funded transportation historically in this state. Otherwise the place where the most people are going to continue to get shortchanged. We're going to need to have to look at that as well. And so I think the next two years are going to be very critical, and If the state didn't step up to the plate, we're going to have to have a serious conversation about what do we do. Because we can't wait much longer.

Council President Praisner,
Councilmember Elrich.

Councilmember Elrich,

I agree that these are state projects, but it doesn't mean the county doesn't have a voice. And I feel like that Given the reality of the numbers that we're looking at, we ought to have the conversation with the state and say with this money, How many different ways can we parcels it? What are the different ways we could use state funds to do different projects, and then ask ourselves if this is the money and these are the projects, what gets us the most impact. I know that 86% of the people drive. But very few of them are ever going to use the ICC. And in fact the people who go north/south in the county, which is the majority of the trips, and the people who use the beltway, according to the state's study, we will see a worsening of their driving conditions. So if I were concerned about the majority of drivers in Montgomery County, I'm not sure the ICC is the project I would pick. I might pick 28, 198, and 108, to 32 is two ways of bringing cars down from Howard County, and (inaudible) the need for the ICC. I might want to be able to fund the HOV lanes north and I might want to be able to take the lanes from the spur to Virginia. That would probably have more effect for more of our constituents than putting the money in the ICC. I mean the frustrating part is that with limited funds we're not saying this is the basket and what is the best way to divvy it up. And I don't know whether--I never thought they were ahead of your days. I've been in this debate for a long time when everybody thought everything was going to get funded, but it's very clear right now that nobody thinks much of this is going to get funded. I wish we'd have that discussion, and I do think the governor ought to be a part of it, and I think the leaders or a delegation ought to be a part of it. And we ought to say what are we going to do with the money we are going to have. Otherwise, you know, we are going to be wishfully thinking and telling people we support all these great transit projects, and they're just going to be things we would like to see done someday.

Council President Praisner,
Councilmember Andrews, last word.

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Councilmember Andrews,

Thank you. Good. All right, I always like to go last. Well first I think I have to point out that transit doesn't just benefit the people using it. Imagine if we didn't have Metro and imagine the additional traffic on the highways and the other roads. So Drivers benefit very much from transit because it frees up capacity on the roads so the roads aren't worse than they are. So it is real important to recognize the impact of transit use on reducing the need for additional capacity on what might be needed and in relieving the commute of people who have to drive. It also provides a choice for people who may need it on occasion but don't use it regularly. So It has many benefits as well as environmental benefits that we should acknowledge. And I just want to point out that while it's undoubtedly true that the ICC is a state project, people can be forgiven for thinking that the county has an influence on it. It wasn't that long ago that a local campaign here in 2002 was centered on that idea. And so People who think the Council has a lot of influence on the ICC can be forgiven for thinking so. In fact, Governor Erlich would have done exactly what he did for the last 4 years regardless of what the County Council's position was on the ICC; whether it was 9-0 in favor or 9-0 against. That may not be as true now with a governor who I think is more interested in what Montgomery County has to say. But it's important I agree that we be clear with people about what we can do and we can't do. We should always avoid over-promising because it will come back to haunt us if we do.

Council President Praisner,

Okay, Councilmember Ervin has put her light on, so she gets the last word.

Councilmember Ervin,

I'm sorry. I just wanted to comment on the 14% of the transit riders and who they are. That's a very significant piece of information as far as I'm concerned as we really move forward in our discussion about transit. Most of those riders are poor people of color. And, you know, I've always been very disturbed by the fact that these people are not at the table when we're making these decisions about who rides where. And in my district-- District 5, a big chunk of the people riding bus and transit live there because they can't afford to drive cars. And I think it's an important thing to point out as we continue this discussion, and I'm going to continue to bring it to the table because I've always been very disappointed that these folks have not been at the table in any of these discussions and I think They play a very significant role in terms of the rider-ship of transit in Montgomery County.

Council President Praisner,

Thank you, Councilmember Ervin, Those were very good points. I think the comments we heard in the public hearing about where bus stops are located and the need for sidewalks and a variety of other issues that respond to individual concerns of folks who are using public transportation have to continue To be on the table as well. We are adjourned until 1:30 when we have public hearings.

Councilmember Floreen,

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We need a motion.

Council President Praisner,

Yes, I'm sorry, we do have to vote. The committee's motion is on the table as amended by actually the letter is on the table and the letter has already been amended by the Council's action on Councilmember Berliner's recommendation and unanimous adoption of that amendment. So the letter--approval of the letter for the state transportation project priority list is before us -- all this in favor. That is unanimous. Thank you. Now we are in recess until this afternoon at 1:30.

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TRANSCRIPT

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MONTGOMERY COUNTY COUNCIL

Marilyn Praisner, President
Phil Andrews
Roger Berliner
Marc Elrich
Valerie Ervin

Nancy Floreen
Mike Knapp
George Leventhal
Duchy Trachtenberg

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1 Councilmember Leventhal,

2 I just want to point out to Diane, we're interviewing Ike Leggett's nominee to be the new
3 director for Permitting Services, Carla Joyner. At the conclusion of this Public Hearing,
4 we've got four interviews and they're open to the public; and if you'd like to be
5 introduced to Ms. Joyner, I or other councilmembers, I'm sure, would be happy to
6 introduce you to her, and then you can follow up and develop a relationship with her if
7 you'd like.

8
9 Diane Cameron,

10 Thank you. I do need to leave around 2:00, but I would love to have an opportunity to
11 meet –

12
13 Councilmember Leventhal,

14 Yeah. If you want to stick around, and if she's there at 2:00, I'll be around and I'll
15 connect the two of you together so that you can make a face-to-face acquaintance.

16
17 Diane Cameron,

18 Thank you.

19
20 Councilmember Leventhal,

21 You're welcome.

22
23 Council President Praisner,

24 Just one question -- comment. The note that I had to introduce doesn't say any -- make
25 any reference to the T&E Committee; but the packet says the T&E Committee will meet
26 on this item on February 12th at 9:30. Usually that's in the item for the hearing. So is
27 there a T&E Committee meeting or not?

28
29 Keith Levchenko

30 Yeah. The Committee meeting is on the 12th –

31
32 Council President Praisner,

33 Okay.

34
35 Keith Levchenko,

36 and dependent on that meeting, action is tentatively scheduled for the 13th –

37
38 Council President Praisner,

39 Tentatively scheduled for the 13th. Okay.

40
41 Keith Levchenko,

42 assuming the T&E Committee doesn't have any follow-up issues.

43
44 Council President Praisner,

45 Okay. Thank you. Councilmember Floreen.

46

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1 Councilmember Floreen,

2 Thank you. Diane, I just wanted to mention -- Ms. Praisner alluded to this in her
3 comments -- but one of the challenges, actually for a number of these new programs, is
4 that they are intended to be supported by fees. So the challenge for us will be how
5 much comes in, in terms of new construction, are changes to existing construction that
6 will permit us to fund as much -- you know, the kinds of programs and initiatives,
7 trainings, and whatnot that we'd like to see. So be aware that the dollars that are
8 appropriated here are dependent upon a stream of revenue that's not tax-based, but
9 fee-based. So it's dependent on third parties. So we'll see how it goes; but we know that
10 you will be in the game all along, won't you?

11
12 Diane Cameron,
13 Yes.

14
15 Councilmember Floreen,
16 Thanks.

17
18 Council President Praisner,
19 Okay. That concludes that Public Hearing. Thank you very much. Good afternoon,
20 ladies and gentlemen. This is a Public Hearing on Expedited Bill 1-07, Condominiums -
21 Conversion of Rental Housing - Extended Tenancies, which would clarify the types of
22 disabled individuals who are eligible for certain extended tenancies when certain rental
23 housing is converted to condominiums; modify the income limits for certain extended
24 tenancies; and generally amend the law governing conversion of rental housing to
25 condominiums. A Planning, Housing, and Economic Development Committee
26 worksession is tentatively scheduled for February 15th at 2:00 p.m. Additional materials
27 for the Council's consideration should be submitted by the close of business Thursday,
28 February 8th. Before beginning your presentation, please state your name clearly for
29 the record. We have one speaker, Ingebort Conradt. Push the button in front of you if it's
30 not on.

31
32 Ingebort Conradt,
33 It's already pushed. Yes.

34
35 Council President Praisner,
36 Okay. I couldn't see.

37
38 Ingebort Conradt,
39 Thank you very much for listening. My name is Ingebort Conradt. I'd like to suggest an
40 addition to this Bill. I'm a concerned unit owner and former board member in
41 Condominium. It's called Rock Creek Apartments, Condominium II, also known as Rock
42 Creek Commons in Silver Spring. I've recently lived through a horrible, 20-month-long
43 dispute with my board president and manager in which the Association lost about
44 \$100,000; and I lost about \$6,000 of my own personal money. Three councilmembers
45 know some details about this. This experience motivates me to speak to you today.
46 When the renter facility is converted into a condominium, there is not just a shift of

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1 property rights, but a fundamental shift in the social dynamic of the condominium.
2 Instead of the landlord having all the responsibilities and making all the decisions, now
3 the total of unit owners is responsible for the operation of the condominium. They elect
4 a five-member Board of Directors from among themselves, and this way create a very
5 small government. The problem is, the five directors have all the powers. And there is
6 hardly anyone checking on how they operate business -- or how they conduct business
7 and how they spend hundreds of thousands of dollars every year. There is no oversight
8 agency. Nobody is enforcing the real property laws. This fragile government is therefore
9 susceptible to cronyism and abuse. The only check that works right now is the scrutiny
10 of the unit owners themselves; however, they don't know this. For this reason, I think,
11 it's crucial that new condominium owners receive some guidance that will enable them
12 to run their community fairly and smoothly; keep condo fee lows -- excuse me -- keep
13 condo fees low; and thus making housing more affordable. Whenever you acquire an
14 appliance, a car, or some other property, you receive a manual telling you how it works.
15 Well, one of the most valuable property people can acquire in their entire life -- a
16 condominium -- comes without directions. The unit owners don't know how it operates.
17 So I submitted to you today what you can call a "condominium manual"; and I suggest
18 that in this Bill or any future bill, you make it mandatory that each new condo owner
19 receives some of this manual at the time of purchase. You might say that owners
20 already receive bylaws. These are the bylaws - 53 pages; hardly anybody reads them.
21 Not even our board or our manager read the bylaws.

22
23 Council President Praisner,
24 I'm sorry, your time is up.

25
26 Ingeborg Conradt,
27 And, therefore, I urge you to follow my suggestions; and a huge number of people
28 would greatly benefit if they had this information. Thank you.

29
30 Council President Praisner,
31 Thank you very much. I actually think that what you're proposing is outside the scope of
32 this legislation -- and may even be outside the scope of the County, given the Maryland
33 Condominium Law; but we will certainly pursue the issue of what information should be
34 provided and when. It's also something that folks have had conversations about when
35 any property is transferred. New homeowners and renters, etc., may need to know
36 about the County laws and procedures -- as well as, obviously, their Condominium Law
37 questions. Kathleen, do you want to comment --

38
39 Kathleen Boucher,
40 Yeah.

41
42 Council President Praisner,
43 from a personal perspective?

44
45
46 Kathleen Boucher,

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1 I just wanted to say I think you're absolutely right. There would be two issues: one, a
2 notice issue in terms of our own Bill; but more importantly, the Maryland State Law
3 preempts counties from regulating in the area of condominiums with some very limited
4 exceptions. And the Bill relates to one of those exceptions, but what the speaker
5 testifies to does not.

6
7 Council President Praisner,

8 I would urge you -- I know it's a little late for this session, but I would urge you to contact
9 your delegates and senator. Quite often they say, and I know we feel, that when things
10 are brought to our attention, that's how laws are created and modifications are made.
11 So appreciate your bringing it to our attention, even though it's outside the scope of this
12 legislation and outside the authority of local government. Good afternoon, ladies and
13 gentlemen. This is a Public Hearing on Expedited Bill 2-07, Labor Relations -
14 Permanent Umpire, which would clarify the procedure to be followed when a vacancy
15 occurs in the position of permanent umpire to administer a certain labor relations law;
16 provide for the appointment of replacement to serve the remainder of the umpire's term;
17 and generally amend the collective bargaining law regarding the appointment of
18 permanent umpires and labor relations administrators, excuse me. A Management and
19 Fiscal Policy Committee worksession is tentatively scheduled for February 12th at 9:00
20 a.m. Additional material for the Council's consideration should be submitted by the close
21 of business Wednesday, February 7th. Before beginning your presentation, please state
22 your name clearly for the record. Carol Rollins for the County Executive. Hi, Carol.

23
24 Carol Rollins,

25 Hi. As you said, I'm Carol Rollins. I'm here on behalf of the County Executive. I'm a
26 manager in the Office of Human Resources, and I've been working in the labor relations
27 field for quite a while. The need for this legislation arose in 2005 when Louis Aronin
28 died. Mr. Aronin was the Permanent Umpire under the County Labor -- not the County --
29 the Police Labor Relations Law; and for twenty years, he had functioned under that law
30 and had basically performed the functions of a one-man national labor relations board.
31 He oversaw representation elections. He decided unfair labor practices. He also
32 decided negotiability disputes. And so when he died, the parties had a hard time
33 replacing him or even agreeing on a replacement for him. Finally we did agree on a
34 candidate to replace him, and then discovered that the law didn't really say whether the
35 new permanent umpire would complete Mr. Aronin's term -- which would end in
36 December of this year -- or would be there for another five years, I think it is, under the
37 law -- another five-year term. And so the FOP suggested, and the County Executive
38 agreed, that the law should be amended to state that if the permanent umpire leaves or
39 can't complete his term of office, that the new permanent umpire should complete that
40 term of office instead of having a new five-year term. The reason we want this
41 amendment to the Labor -- the Police Labor Relations Law is that this is such an
42 important position to the parties. And we would much rather have someone appointed
43 for a year and be able to see if they can fill Mr. Aronin's shoes than to have someone be
44 there for a full five years. And we also received a request from the other two unions that
45 represent County employees. And the President of MCGEO and the President of IFF
46 Local 1664 would both like comparable language put into their collective bargaining

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1 laws. They don't have a permanent umpire, but they have a labor relations administrator
2 who functions the same as the permanent umpire under their respective laws. And so
3 we have submitted a draft of the amendments we'd like to the Bill as it was introduced,
4 and it's attached to the testimony; and we've also given them to Mr. Faden. We really
5 urge you to support this legislation and to approve it, and to do so expeditiously
6 because we need a new permanent umpire. Thank you very much for your time and
7 attention.

8
9 Council President Praisner,

10 Thank you. Is there any limit as to the number of terms someone can serve? You
11 indicated that the now-deceased permanent umpire had been there for such a long
12 period of time.

13
14 Carol Rollins,
15 There is a limit.

16
17 Council President Praisner,

18 Is there any sense -- I know that's a reappointment each time; but is there any sense
19 that at some point it would be a good idea for fresh eyes and ears to hear something?

20
21 Carol Rollins,

22 I know the parties were very happy with Mr. Aronin, so I don't think they ever thought of
23 that.

24
25 Council President Praisner,

26 We're happy with our auditor; but we say after ten years, you have to change. So I just
27 wondered about that.

28
29 Carol Rollins,

30 I don't think we've ever given that any thought.

31
32 Council President Praisner,

33 Okay. Thank you very much. There are no further questions, and this Hearing is closed.
34 Thank you. Okay. We have one item, which is a carryover from this morning. It's an
35 amendment to the resolution on 15 -- Resolution 15-1479, Authority to substitute current
36 revenue for general obligation bonds in FY07. It's consistent with our action this morning
37 on spending affordability, which increased the bond capacity, and the policy that we
38 implemented fairly recently to have at least 10% of the guideline or target for general
39 obligation bonds for current revenue. So I would entertain a motion to adopt that re
40 solution.

41
42 Councilmember Knapp,
43 Move for adoption.

44
45
46 Council President Praisner,

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1 Vice President Knapp. Is there a second?
2
3 Councilmember Trachtenberg,
4 Second.
5
6 Council President Praisner,
7 Second, Councilmember Trachtenberg. Any discussion on the item? All in favor of the
8 item, please indicate by raising your hand. That is unanimous. We are adjourned for this
9 part of the meeting, and we'll resume downstairs to interview the County Executive's
10 candidates for several departments. Thank you.
11